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FM AMEMBASSY BRASILIA  
TO RUEHC/SECSTATE WASHDC PRIORITY 0691  
INFO RUEHRI/AMCONSUL RIO DE JANEIRO 5593  
RUEHRG/AMCONSUL RECIFE 7512  
RUEHSO/AMCONSUL SAO PAULO 1356  
RUEHAC/AMEMBASSY ASUNCION 6455  
RUEHBU/AMEMBASSY BUENOS AIRES 5173  
RUEHCV/AMEMBASSY CARACAS 3897  
RUEHME/AMEMBASSY MEXICO 2105  
RUEHMN/AMEMBASSY MONTEVIDEO 7131  
RUEHLP/AMEMBASSY LA PAZ 5817  
RUEHSG/AMEMBASSY SANTIAGO 0043  
RHEHNSC/NSC WASHDC  
RUEATRS/DEPT OF TREASURY WASHDC  
RUCPDOG/USDOC WASHDC  
RHMFISS/CDR USSOUTHCOM MIAMI FL  
RUEAIIA/CIA WASHDC  
RHMFIUU/FAA NATIONAL HQ WASHINGTON DC  
RUEAYVF/FAA MIAMI ARTCC MIAMI FL  
RULSDMK/DEPT OF TRANSPORTATION WASHDC  
RUWDQAB/NTSB WASHINGTON DC  
RUEHC/DEPT OF LABOR WASHDC

UNCLAS SECTION 01 OF 02 BRASILIA 002309

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STATE FOR WHA/EPSC AND EEB/TRA  
STATE PASS USTR FOR KATE DUCKWORTH  
FAA FOR CCAPESTANY, GBURDICK, KBERQUIST  
DEPT OF TRANSPORTATION FOR BHEDBERG, MSTREET  
BUENOS AIRES FOR TSA ATTACHE  
MEXICO CITY FOR TSA ATTACHE MGALVAN  
USDOC FOR 4332/ITA/MAC/WH/OLAC  
USDOC ALSO FOR 3134/USFCS/OIO  
NSC FOR TOMASULO  
TREASURY FOR JHOEK  
SOUTHCOM FOR POLAD  
NTSB FOR RMACINTOSH, BENGLISH  
STATE FOR USAID FOR LAC/AA

E.O. 12958: N/A

TAGS: [EAIR ECON EIND PGOV PREL EINV BEXP BR](#)  
SUBJECT: BRAZIL CIVAIR: POSSIBLE INCREASED FREQUENCIES, ROUTES FOR  
U.S. CARRIERS AND FUTURE DISCUSSION TOPICS

REF: BRASILIA 2124

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¶1. (SBU) Ambassador Sobel spoke again on December 19 with recently confirmed new National Civil Aviation Agency (ANAC) Director-President Solange Vieira, who will now be responsible for air services negotiations with the United States. The Ambassador also met separately on the same day with Minister of Defense Nelson Jobim to discuss possible new frequencies and routes to several cities, as well as other aviation issues. Brazil and U.S. negotiators signed a Memorandum of Consultations at the conclusion of December 5-6 civil aviation talks in Rio that expressed intent to meet again before the end of 2008 (septel). The Rio session, the first in more than 10 years, was an important first step in establishing negotiations with Brazil on civil aviation issues. The Ambassador's discussions were intended to maintain that momentum toward achieving the ability to implement new routes as soon as possible as well as other important US objectives in the negotiations.

¶2. (SBU) Following are the talking points that the Ambassador left behind as a nonpaper:

[Begin Text.]

#### Continued Bilateral Aviation Discussion with Brazil

We are pleased to hear the Brazilians are interested in continuing our conversations.

Our carriers would like maximum flexibility to institute service to and from areas in Brazil where demand appears likely to indicate profitability, and therefore, there is no guarantee that the availability of additional frequencies would translate into direct flights.

Additionally, operating constraints, high fuel costs and other factors can prevent carriers from implementing plans for new service.

With different levels of specificity and limited commitment to implement services, U.S. carriers have expressed interest in additional frequencies and designations that would allow for new services to cities such as Belem, Belo Horizonte, Brasilia, Fortaleza, Manaus, Porto Alegre, Recife, Rio de Janeiro, and Salvador before 2010.

On the road to broader liberalization, we are interested in concluding a commercially significant interim agreement that would include certain core elements:

In the short term, we are prepared to focus on a set number of additional frequencies to be used to Brazilian cities, without an increase in rights to operate to Sao Paulo.

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While completely open routing is not offered except in the context of Open Skies, we will consider a reasonable liberalization of routing of benefit to Brazilian carriers.

We would like an agreement to liberalize the all-cargo relationship, which supports our growing bilateral trade relationship.

Finally, we must have some commercially useable third country code share rights; we are willing to talk about phase-in and limitations.

[End Text.]

13. (SBU) The reactions of Vieira and Jobim were positive to the idea of increased frequencies and routes. Next steps will be to engage bilaterally on the other topics listed.

SOBEL